



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-485-805]

Carbon and Alloy Seamless Standard, Line and Pressure Pipe (under 4.5 Inches) from Romania: Preliminary Determination of No Shipments; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that there were no shipments of carbon and alloy seamless standard, line and pressure pipe (under 4.5 Inches) (small diameter seamless pipe) from Romania during the period of review (POR) August 1, 2017 through July 31, 2018. Interested parties are invited to comment on this preliminary determination of no shipments.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Katherine Johnson or Samantha Kinney, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4929 or (202) 482-2285, respectively.

SUPPLEMENTARY INFORMATION:

Background

In response to Commerce's notice of opportunity to request an administrative review on small diameter seamless pipe from Romania,¹ United States Steel Corporation (U.S. Steel) (the petitioner) timely requested an administrative review of the antidumping duty (AD) order on

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 83 FR 38682 (August 7, 2018).

small diameter seamless pipe from Romania with respect to Silcotub S.A. (Silcotub), ArcelorMittal Tubular Products Roman S.A. (ArcelorMittal), SC TMK-Artrom S.A. (TMK-Artrom), and SC Tubinox S.A.² Accordingly, in accordance with 19 CFR 351.221(c)(1)(i), we published a notice of initiation of an administrative review of the AD order on small diameter seamless pipe from Romania.³

In the *Initiation Notice*, Commerce notified the public that it intended to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports during the POR.⁴ Accordingly, we released the CBP entry data to all interested parties under an administrative protective order and requested comments regarding the data and respondent selection.⁵ The petitioner submitted comments and Silcotub submitted rebuttal comments.⁶

We subsequently selected TMK-Artrom, the largest exporter and producer of the subject merchandise by volume, based on the CBP data, as the sole mandatory respondent in this review.⁷ In November 2018, we issued the AD questionnaire to TMK-Artrom, to which TMK-Artrom timely responded. Also in November 2018, Silcotub timely submitted a letter stating it

² See Petitioner's Letter, "Carbon and Alloy Seamless Standard Line, and Pressure Pipe (Under 4 ½ Inches) from Romania: Request for Administrative Review of Antidumping Duty Order," dated August 30, 2018.

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 50077 (October 4, 2018). The name of TMK Artrom S.A. was misspelled in the initiation notice. The correct spelling of the company name can be found in *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 57411 (November 15, 2018).

⁴ *Id.*

⁵ See Memorandum, "Carbon and Alloy Seamless Standard Line and Pressure Pipe (Under 4.5 Inches) from Romania: Customs Data for Respondent Selection," dated October 4, 2018 (Customs Data). We note that the Customs Data showed no reviewable entries during the POR for S.C. Tubinox S.A.

⁶ See Petitioner's letter, "Carbon and Alloy Seamless Standard Line, and Pressure Pipe (Under 4.5 Inches) from Romania: Comments Regarding Respondent Selection," dated October 11, 2018; *see also* Silcotub's Letter, "Carbon and Alloy Seamless Standard, Line, and Pressure Pipe (under 4.5 inches) from Romania: Rebuttal Comments Regarding Respondent Selection," dated October 16, 2018.

⁷ See Memorandum, "2017-2018 Administrative Review of Carbon and Alloy Seamless Standard, Line and Pressure Pipe (Under 4.5 Inches) from Romania: Respondent Selection," dated October 31, 2018.

had no shipments of subject merchandise during the POR.⁸ We transmitted a “No-Shipment Inquiry” to CBP regarding Silcotub and placed the results on the record of this review.⁹ Pursuant to this inquiry, we received information from CBP regarding entries of subject merchandise from Silcotub. In February 2019, we requested entry packages for shipments identified in the CBP data and placed the information on the record for comment.¹⁰

Also in February 2019, the petitioner submitted a request for a partial withdrawal of administrative review with respect to TMK-Artrom.¹¹ Subsequently, we selected ArcelorMittal as a mandatory respondent¹² and issued the AD questionnaire to this company. On March 4, 2019, we rescinded the administrative review with respect to TMK-Artrom.¹³

On March 20, 2019, ArcelorMittal submitted a no shipment certification letter in response to Commerce’s questionnaire.¹⁴ We transmitted a “No-Shipment Inquiry” to CBP with respect to this company and placed the response from CBP on the record.¹⁵ We received timely comments from Silcotub on the entry documents for shipments identified in the CBP data.¹⁶ The

⁸ See Silcotub’s Letter, “Carbon and Alloy Seamless Standard, Line, and Pressure Pipe (under 4.5 inches) from Romania: Notice of No Sales,” dated November 2, 2018.

⁹ See Memorandum, “Carbon and alloy seamless standard, line and pressure pipe (under 4.5 inches) from Romania (A-485-805),” dated March 7, 2019.

¹⁰ See Memorandum, “Request for U.S. Entry Documents – 2017-2018 Administrative Review of Carbon and Alloy Seamless Standard, Line and Pressure Pipe (Under 4.5 Inches) from Romania,” dated February 5, 2019; *see also* Memorandum, “2017-2018 Administrative Review of Carbon and Alloy Seamless Standard, Line and Pressure Pipe (Under 4.5 Inches) from Romania: Entry Documents Requested,” dated March 26, 2019 (Entry Documents).

¹¹ See Petitioner’s Letter, “Carbon and Alloy Seamless Standard Line, and Pressure Pipe (Under 4.5 Inches) from Romania: Partial Withdrawal of Request for Administrative Review of Antidumping Order,” dated February 13, 2019.

¹² See Memorandum, “2017-2018 Administrative Review of Carbon and Alloy Seamless Standard, Line and Pressure Pipe (Under 4.5 Inches) from Romania: Second Respondent Selection,” dated February 26, 2019.

¹³ See *Carbon and Alloy Seamless Standard, Line and Pressure Pipe (Under 4.5 Inches) From Romania: Partial Rescission of Antidumping Duty Administrative Review; 2017-2018*, 42 FR 7345 (March 4, 2019).

¹⁴ See ArcelorMittal’s Letter, “Antidumping Duty Administrative Review of Carbon and Alloy Seamless Standard, Line, and Pressure Pipe (under 4.5 inches) from Romania; ArcelorMittal Tubular Products Roman S.A.: Notice of No Sales,” dated March 20, 2019.

¹⁵ See Memorandum, “Carbon and alloy seamless standard, line and pressure pipe (under 4.5 inches) from Romania (A-485-805),” dated April 24, 2019 (Customs Response for ArcelorMittal).

¹⁶ See Silcotub’s Letter, “Carbon and Alloy Seamless Standard, Line and Pressure Pipe (under 4 ½ inches) from

petitioner submitted pre-preliminary comments on May 7, 2019.¹⁷ As CBP entry documents are business proprietary, our analysis of Silcotub's no shipment claim is contained in a separate memorandum entitled "No Shipment Certification – Silcotub S.A."¹⁸

Scope of the Order

See the Appendix for a complete description of the Scope of the Order.

Preliminary Determination of No Shipments

Based on record evidence, we preliminarily determine that ArcelorMittal and Silcotub had no shipments of subject merchandise during the POR. Because Silcotub's claim of no shipments during the POR involves business proprietary information, our analysis of the issue is contained in the No Shipment Certification Memo. With respect to ArcelorMittal, CBP stated that it did not find any shipments by the company during the POR.¹⁹

Consistent with our practice, we find that it is not appropriate to rescind the review with respect to ArcelorMittal and Silcotub, but rather to complete the review and issue appropriate instructions to CBP based on the final results of this review.²⁰

Public Comment

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice.²¹ Rebuttal briefs, limited to issues raised in the case briefs,

Romania: Comments on CBP Entry Documentation," dated April 5, 2019.

¹⁷ See Petitioner's Letter, "Carbon and Alloy Seamless Standard Line, and Pressure Pipe (Under 4.5 Inches) from Romania: U.S. Steel's Pre-Preliminary Comments," dated May 7, 2019.

¹⁸ See Memorandum, "No Shipment Certification – Silcotub S.A.," dated concurrently with this memorandum (No Shipment Certification Memo) for further discussion of the petitioner's arguments.

¹⁹ See Customs Response for ArcelorMittal.

²⁰ See, e.g., *Magnesium Metal from the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 26922, 26923 (May 13, 2010), unchanged in *Magnesium Metal from the Russian Federation: Final Results of Antidumping Duty Administrative Review*, 75 FR 56989 (September 17, 2010).

²¹ See 19 CFR 351.309(c)(1)(ii).

may be filed not later than five days after the date for filing case briefs.²² Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

All submissions to Commerce must be filed electronically via ACCESS and must also be served on interested parties.²³ An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time on the date that the document is due.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice.²⁴ Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Unless the deadline is extended pursuant to section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h)(2), Commerce intends to issue the final

²² See 19 CFR 351.309(d).

²³ See 19 CFR 351.303(f).

²⁴ See 19 CFR 351.310(c).

results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice.²⁵

Assessment Rates

If we continue to find in the final results that ArcelorMittal and Silcotub had no shipments of subject merchandise, for entries of subject merchandise during the POR produced by ArcelorMittal and Silcotub for which these companies did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate un-reviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.²⁶

We intend to issue instructions to CBP 15 days after the date of publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rates for ArcelorMittal and Silcotub will remain unchanged from the rate assigned to them in the most recently completed review of those companies; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently-completed segment; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently-completed segment for the

²⁵ See section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

²⁶ For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 13.06 percent, the all-others rate established in the less-than-fair-value investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: June 11, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

SCOPE OF THE ORDER

The merchandise under review is small diameter seamless carbon and alloy other than stainless) steel standard, line, and pressure pipes and redraw hollows produced, or equivalent, to the American Society for Testing and Materials (ASTM) A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and the American Petroleum Institute ("API") 5L specifications and meeting the physical parameters described below, regardless of application. The scope of this review also includes all products used in standard, line, or pressure pipe applications and meeting the physical parameters described below, regardless of specification. Specifically included within the scope of these reviews are seamless pipes and redraw hollows, less than or equal to 4.5 inches (114.3 mm) in outside diameter, regardless of wall-thickness, manufacturing process (hot finished or cold-drawn), end finish (plain end, beveled end, upset end, threaded, or threaded and coupled), or surface finish.

The merchandise under review is currently classifiable under items: 7304.10.10.20, 7304.10.50.20, 7304.19.10.20, 7304.19.50.20, 7304.31.30.00, 7304.31.60.50, 7304.39.00.16, 7304.39.00.20, 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.51.50.05, 7304.51.50.60, 7304.59.60.00, 7304.59.80.10, 7304.59.80.15, 7304.59.80.20, and 7304.59.80.25 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS classification is provided for convenience and customs purposes, the written description of the merchandise under review is dispositive.

Specifications, Characteristics, and Uses: Seamless pressure pipes are intended for the conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas and other liquids and gasses in industrial piping systems. They may carry these substances at elevated pressures and temperatures and may be subject to the application of external heat. Seamless carbon steel pressure pipe meeting the ASTM A-106 standard may be used in temperatures of up to 1000 degrees Fahrenheit, at various American Society of Mechanical Engineers ("ASME") code stress levels. Alloy pipes made to ASTM A-335 standard must be used if temperatures and stress levels exceed those allowed for ASTM A-106. Seamless pressure pipes sold in the United States are commonly produced to the ASTM A-106 standard.

Seamless standard pipes are most commonly produced to the ASTM A-53 specification and generally are not intended for high temperature service. They are intended for the low temperature and pressure conveyance of water, steam, natural gas, air and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipes (depending on type and code) may carry liquids at elevated temperatures but must not exceed relevant ASME code requirements. If exceptionally low temperature uses or conditions are anticipated, standard pipe may be manufactured to ASTM A-333 or ASTM A-334 specifications.

Seamless line pipes are intended for the conveyance of oil and natural gas or other fluids in pipe lines. Seamless line pipes are produced to the API 5L specification.

Seamless water well pipe (ASTM A-589) and seamless galvanized pipe for fire protection uses (ASTM A-795) are used for the conveyance of water.

Seamless pipes are commonly produced and certified to meet ASTM A-106, ASTM A-53, API 5L-B, and API 5L-X42 specifications. To avoid maintaining separate production runs and separate inventories, manufacturers typically triple or quadruple certify the pipes by meeting the metallurgical requirements and performing the required tests pursuant to the respective specifications. Since distributors sell the vast majority of this product, they can thereby maintain a single inventory to service all customers.

The primary application of ASTM A-106 pressure pipes and triple or quadruple certified pipes is in pressure piping systems by refineries, petrochemical plants, and chemical plants. Other applications are in power generation plants (electrical-fossil fuel or nuclear), and in some oil field uses (on shore and off shore) such as for separator lines, gathering lines and metering runs. A minor application of this product is for use as oil and gas distribution lines for commercial applications. These applications constitute the majority of the market for the subject seamless pipes. However, ASTM A-106 pipes may be used in some boiler applications.

Redraw hollows are any unfinished pipe or "hollow profiles" of carbon or alloy steel transformed by hot rolling or cold drawing/hydrostatic testing or other methods to enable the material to be sold under ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications.

The scope of these reviews includes all seamless pipe meeting the physical parameters described above and produced to one of the specifications listed above, regardless of application, and whether or not also certified to a non-covered specification. Standard, line, and pressure applications and the above-listed specifications are defining characteristics of the scope of these reviews. Therefore, seamless pipes meeting the physical description above, but not produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications shall be covered if used in a standard, line, or pressure application.

For example, there are certain other ASTM specifications of pipe which, because of overlapping characteristics, could potentially be used in ASTM A-106 applications. These specifications generally include ASTM A-161, ASTM A-192, ASTM A-210, ASTM A-252, ASTM A-501, ASTM A-523, ASTM A-524, and ASTM A-618. When such pipes are used in a standard, line, or pressure pipe application, such products are covered by the scope of these reviews.

Specifically excluded from the scope of these reviews are boiler tubing and mechanical tubing, if such products are not produced to ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, and API 5L specifications and are not used in standard, line, or pressure pipe applications. In addition, finished and unfinished OCTG are excluded from the scope of these reviews, if covered by the scope of another antidumping duty order from the same country. If not covered by such an OCTG order, finished and unfinished OCTG are included in this scope when used in standard, line, or pressure applications.

With regard to the excluded products listed above, the Department will not instruct Customs to require end-use certification until such time as petitioner or other interested parties provide to the Department a reasonable basis to believe or suspect that the products are being used in a covered application. If such information is provided, we will require end-use certification only for the product(s) (or specification(s)) for which evidence is provided that such products are being used in covered applications as described above. For example, if, based on

evidence provided by petitioner, the Department finds a reasonable basis to believe or suspect that seamless pipe produced to the A-161 specification is being used in a standard, line or pressure application, we will require end-use certifications for imports of that specification. Normally we will require only the importer of record to certify to the end use of the imported merchandise. If it later proves necessary for adequate implementation, we may also require producers who export such products to the United States to provide such certification on invoices accompanying shipments to the United States.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise subject to this scope is dispositive.

[FR Doc. 2019-12726 Filed: 6/14/2019 8:45 am; Publication Date: 6/17/2019]